

MINUTES
BROWN COUNTY HOUSING AUTHORITY
Monday, January 11, 2010
City Hall
100 N. Jefferson Street, Room 604
Green Bay, WI 54301
3:00 p.m.

MEMBERS PRESENT: Darlene Hallet-Chair, Michael Welch-Vice Chair, Tom Diedrick, Rich Aicher

MEMBERS EXCUSED: Paul Kendle

MEMBERS ABSENT: None.

OTHERS PRESENT: Rob Strong, Robyn Hallet, Robyn Davis, Janis Voge, Karen Johnston, Bobbie Lison, Kent Gross.

APPROVAL OF MINUTES:

1. Approval of the minutes from the December 21, 2009, meeting of the Brown County Housing Authority.

A motion was made by T. Diedrick and seconded by R. Aicher to approve the minutes from the December 21, 2009, meeting of the Brown County Housing Authority. Motion carried.

COMMUNICATIONS:

None.

REPORTS:

None.

OLD BUSINESS:

2. Discussion and possible action on Freedom House's request for financial assistance.

R. Davis thanked the Authority for meeting with her. She introduced Janis Voge who is a member of Freedom House's Board of Directors and is on the Finance Committee. She has been with Freedom House for a long time.

R. Davis stated that Freedom House had an anonymous donor that stepped forward with a matching gift of \$70,000.00. Freedom House was able to meet and exceed that match. That donor stipulated that his gift was a \$50,000.00 match that was going to be paid at the rate of \$5,000.00 a month for ten months beginning January 2010. Freedom House was able to add another \$20,000.00 to that through Board Members and others that wanted to throw into the pot. J. Voge will

speak about where Freedom House is financially. The last time she spoke to the Authority, Freedom House had about \$1,600.00 in savings and about \$7,000.00 in checking.

J. Voge stated that as of today Freedom House has \$4,400.00 in checking and \$17,000.00 in savings. December's donations were a blockbuster.

D. Hallet questioned if the \$5,000.00 a month from the donor that would be received starting January 2010 is on top of the funds currently in checking and savings.

J. Voge replied that is correct. She also clarified that the transitional house fund is separate from the funds that she has spoken about today. The contingency plan was to only tap that fund if absolutely necessary.

R. Aicher asked for clarification on the \$70,000.00.

J. Voge stated that there is \$50,000.00 that came from the anonymous donor and it is being given to Freedom House at \$5,000.00 a month. The other \$20,000.00 that she had spoken about earlier came from Board Members and friends of Freedom House. There was a \$70,000.00 pledge of which \$20,000.00 has been received.

J. Voge stated that in the month of November, Freedom House received in \$11,000.00. In December, Freedom House brought in \$129,000.00. The match was met and there is \$50,000.00 to come in the next 10 months at \$5,000.00 per month.

M. Welch clarified he believes what is being said is that Freedom House has a match program, in which \$20,000.00 of that match has been received and \$50,000.00 is still pending. Other donors have met the match of \$70,000.00 plus an additional \$40,000.00 above the \$70,000.00. Therefore, \$130,000 has been paid in December and \$50,000 of the original pledge is pending.

R. Aicher questioned how the total of \$180,000.00 for November and December matched up with Freedom House's expectation that they would have a \$60,000.00 shortfall, which is the amount they originally requested for assistance. R. Aicher stated \$50,000.00 is still coming in installments.

J. Voge stated that if you do a snapshot of today, Freedom House is fine. However, if you look at the future for the remainder of the fiscal year, which ends in May, the total shortfall is approximately \$40,000.00. The donations projected are estimates based on last year's donations and it does include the \$5,000.00 pledge they will be getting each month. The \$117,000.00 in savings would be utilized if necessary to cover the shortfall each month. The budget does not include the principal loan payments because the bank has deferred them. They will start back up in July and increase by \$5,000.00 to catch back up.

R. Davis explained efforts to increase donations in the future. She stated that Freedom House is going to be generating other revenue through a new fundraiser taking place at the end of this month. There is also a long range plan with media outlets to get the word out about Freedom House. Planning for the major fundraiser is going to be started earlier than previously so that corporate donors can be tapped for partnering with Freedom House. If isn't started earlier, these corporations have already allocated their funds. Freedom House now has a grant writer consultant and Pioneer Credit Union has underwritten some of the grant writer's fees. The website is being overhauled. By doing this they can expand their reach outside of Brown County. There is also talk of doing a joint fundraiser with other similar organizations.

D. Hallet stated that she knows that Freedom House has been working hard to raise funds.

R. Davis addressed the question if Freedom House is still in the same crisis situation as it was two months ago when they first approached the Authority. She stated that when she went to see the Mayor a couple of months ago, donations were down 30% to 40% in any given month and knew they were coming into the strongest giving season, which is Christmas, and needed to breach the gap. At that time they estimated they would need about \$60,000.00 and that was the original request to the Mayor. They crossed that time and filled that gap to some extent, but are not out of the woods. They are still down from last year at this time but things are on the upswing. When relying on donations, you never know how much you will actually receive on a monthly basis. She doesn't want to say that Freedom House is not going to need some assistance.

R. Strong read the motion that was approved by the Green Bay Housing Authority (GBHA). The motion is as follows:

"A motion was made by Ald. Piton and seconded by D. Slater for the Green Bay Housing Authority to pay 30% of the amount to be provided by the GBHA and BOCHA up to a maximum of \$30,000.00, to be spent over the twelve months of 2010 for shortages to fund the existing operation of Freedom House based on their need monthly, with a monthly report provided to the Authorities for at least the first quarter of 2010."

R. Strong stated that he believes the GBHA is looking for monthly reports for at least the first quarter and depending on how things are looking, maybe quarterly reports thereafter.

R. Davis assured the Authority that they see this as a onetime request and not as a yearly bail out. They need to work hard at getting the word out that homelessness is not just a cold weather issue. Homelessness is year round and we need to keep that thought to the forefront of people's minds.

T. Diedrick stated that he has found doing major fundraising in February, March, and April brings good results simply because the corporations have not allocated their funds yet.

R Strong stated that there are a number of different accounts with unrestricted funds that could be used if the Authority chose.

R Aicher stated that this all fits and is a good cause and the Authority does have the funds. If they are in a "bridge the gap" situation then he is in favor of this. We also need to be mindful that the GBHA is dependent on the BCHA to be the judge and jury on their behalf. He is willing to commit to the financial assistance upon illustrated need.

R Strong questioned if we should have Freedom House spend the \$117,000.00 in saving before any of our money kicks in or do we expect them to put at least \$ 0,000.00 a month from their savings before we kick any money in.

D Hallet stated that it sounds like the crucial time would be in June or July when the payments to the bank would start back up. She suggested that they could come back in a few months and share if donations are more or less than what they had hoped for.

J. Voge stated that the budget for next year will need to be approved at the Board meeting in May.

At the request of D. Hallet, R. Davis listed the members of the Freedom House Board.

The Authority decided to take no action on this item. The Authority asked R. Davis to stay in touch with R. Hallet and let her know how things are progressing and if they do see a shortfall coming to come back before the Authority.

NEW BUSINESS:

3. Discussion and possible action on Catholic Charities' request to provide Homeownership Counseling to buyers in the HCV Homeownership Program.

R Hallet stated that currently NeighborWorks® Green Bay provides the homeownership counseling for the homebuyers purchasing a home through the HCV Homeownership Program. Catholic Charities has recently started a home buying program and they are requesting the Authority's approval to be one of the counselors for the HCV Homeownership Program.

B Lison and K. Johnston from Catholic Charities were introduced.

B Lison stated that Catholic Charities would like to be able to provide home buyer education for participants in ICS' HCV program. Catholic Charities receives a lot of referrals from ICS for individuals who need help cleaning up certain barriers before they are able to buy a home. One benefit is that as they are working with these individuals, trust is built between the client and the counselor. Often the client would prefer to take the class with the counselor they have that relationship with. Other community agencies and Catholic Charities clients have asked them to

provide this service. She does not feel that there will be an issue with duplication, as there are about 150,000 people in this community and two providers of this service is warranted.

K. Johnston stated that it is important for the end user because they have already established a relationship with Catholic Charities. They are an approved counseling agency with HUD. All staff members have been sent through training and they did become an approved agency with HUD with the understanding that this would be a partnership with any of the other existing partners. The problem has been that when the client has been provided the homeownership counseling at Catholic Charities and then sent over to NeighborWorks® Green Bay, NeighborWorks® will not recognize Catholic Charities' training and make the clients go through training again. The training they provide is established homeownership counseling that is approved from HUD and they don't charge as much as NeighborWorks® Green Bay. NeighborWorks® America did all of the training for Catholic Charities, who now utilizes their course. Catholic Charities would like to appear on a list that states they provide approved homeownership counseling. They have had a relationship with ICS for years. This past year Catholic Charities received a national award and it is ironic that within our own community there is a tension regarding services being duplicated.

R. Hallet commented that the Administrative Plan states that NeighborWorks® Green Bay will provide the counseling. The Administrative Plan would have to be amended.

R. Strong stated that the Administrative Plan could indicate two agencies or any qualified agency. We do need to ensure that the quality is the same.

K. Gross from NeighborWorks® Green Bay addressed the Authority. He stated that everyone wants to work together and that is the objective. Recently there was a client that Catholic Charities had provided the counseling for and because NeighborWorks® Green Bay is the organization listed in the Administrative Plan, ICS asked NeighborWorks® Green Bay to sign off on the counseling. While Catholic Charities may use the same materials, NeighborWorks® Green Bay is not familiar with their format or how they conduct their training so they were not comfortable with providing the certificate. NeighborWorks® Green Bay then did a one-on-one with the client to get an idea of her understanding of the home buying process and then at that time issued the certificate.

B. Lison stated that ICS wants Catholic Charities to be able to provide this service. It is only because the Administrative Plan only states NeighborWorks® Green Bay that there is an issue.

R. Hallet stated that ICS is in favor of Catholic Charities providing the service but that the Administrative Plan needs to be updated.

R. Strong asked K. Gross if after the one-on-one with the client did he feel that the training conducted by Catholic Charities was adequate.

K. Gross responded yes, they were comfortable with the training that had been provided by Catholic Charities.

K. Johnston stated that they are looking to get this all straightened out so that Catholic Charities is recognized and the client is not inconvenienced.

K. Gross stated that clients who go through ICS are also required to go through a post purchase class and that is something that NeighborWorks® Green Bay provides. He didn't know if Catholic Charities would be providing that as well.

B. Lison responded that yes, they would. There are often times when a person is purchasing a home that they frequently continue with services with Catholic Charities for budgeting, making sure they stay current on their mortgage, and keep up with their other obligations.

K. Gross stated that NeighborWorks® Green Bay also has a program to help provide down payment assistance. It is their policy that anyone who receives down payment assistance must go through their home buyer education course. In the past NeighborWorks® Green Bay has not recognized outside sources of the home buyer education for obtaining this down payment assistance. They have always required the individuals to go through the NeighborWorks® Green Bay's program.

T. Diedrick stated that Catholic Charities budget counseling program is highly recognized. It is critical to have continuity and consumer choice. He would like to see collaboration and to see both organizations work together. The end result is the same: to have successful homebuyers.

R. Aicher stated that if an organization is HUD certified, the certification implies or certifies that the training meets or exceeds HUD standards and that is what ICS should care about. There is no reason why Catholic Charities shouldn't be recognized.

K. Johnston stated that it is about choice and ICS suggested that there needed to be an amendment so that clients could have that choice.

R. Hallet stated that her previous position with ICS was as the Homeownership Coordinator and she would estimate that about 90% of the clients who purchase a home through the HCV Program receive down payment assistance through NeighborWorks® Green Bay. There is going to be some potential misunderstanding from clients who go to Catholic Charities and get the counseling they need for HCV program and then when they learn of the availability of down payment assistance from NeighborWorks® Green Bay, they'll find out they have to repeat that counseling.

K. Gross stated that he is sure that there is some way the agencies can work together. Maybe NeighborWorks® Green Bay could make a presentation to the client. Noel Halvorsen and the loan committee would have to make a policy change to accept Catholic Charities' counseling for the down payment assistance program.

R. Hallet stated that one thing that we might want to consider is that the BCHA does provide payment to NeighborWorks® Green Bay for each client who receives the homeownership counseling and utilizes the HCV program. Would the payment to Catholic Charities be the same amount or do they want to offer a price.

K. Johnston stated that they have a set price already of \$500.00 and they absorb that cost for the training that takes place. The \$500.00 fee also includes the post purchase counseling. The client is currently only paying \$25.00 for the book. Catholic Charities has an Individual Development Account (IDA) program that the client can put money into a savings account and then they match it \$2.00 for every \$1.00.

T. Diedrick asked what it would take internally to be able to make funding available through both agencies.

R. Strong replied that we would need to decide to include in the Administrative Plan to allow Catholic Charities to provide the service and that they are recognized by ICS and the Authority. The Authority would also have to decide if they want to fund it. We have a contract with NeighborWorks® Green Bay to provide the services for a certain dollar amount. We could do an RFP and look at the prices for services and decided if we want to fund one or both agencies. The first step is to get Catholic Charities name on the plan.

K. Gross stated that there are about 600 people per year go through the counseling program.

K. Johnston stated that their number would be much smaller.

R. Hallet questioned if we list both agencies as options in the Administrative Plan or do we open it up to include any qualified housing counseling provider.

The Authority felt that if there were other agencies that wanted to do this that they would like to meet with them and have this same sort of dialogue.

R. Hallet asked what we would be paying Catholic Charities. There is some confusion with what NeighborWorks® Green Bay is being paid. Resolution 02-03 was adopted in March 2003 stating that \$8,000.00 per year would be given to NeighborWorks® Green Bay. It did not specify per client. Prior to that in December 2001 there was a motion to provide \$600.00 per client.

The Authority decided to make a motion regarding Catholic Charities but stated that the fee paid to NeighborWorks® Green Bay and what should be provided to Catholic Charities should be researched by staff and brought back before the Authority.

A motion was made by R. Aicher and seconded by M. Welch to amend the Administrative Plan to include Catholic Charities to provide Homeownership Counseling to buyers in the HCV Homeownership Program. Motion carried.

STAFF REPORT:

R. Strong stated that the new accountant, Matt Schampers, started December 28, 2009.

R. Aicher stated that it might not be a bad idea to go through 3 or 4 years of minutes to make a schedule of things that need to be acted upon, to make sure the Authority is not missing something. R. Strong stated that he would have N. Aderholdt work on that project

M. Welch mentioned that in the past it was decided that every 3 or 6 months the Authority would review the budgets.

M. Welch referenced ICS's audited financial report that was handed out after last month's meeting and stated that it mentions that ICS is working with the BCHA to resolve reporting variances and timing. The Authority has asked that staff report back within the next three months on where this stands.

A motion was made by T. Diedrick and seconded by R. Aicher to adjourn the meeting at 4:47 p.m. Motion carried.